

June 2010

Introduction

Over the last 10 years the council has been on an improvement journey which has transformed it into a much more effective organisation with strong political direction, clear priorities and excellent financial management. This has resulted in better performance and helped to build good external partnerships.

The changing external environment means that there is much more to do and we need to go faster, be really customer focused and lose some of the professional silos that have remained in place. Our current structures have served us well in a period of growth but we are now moving into some very lean years and there is a need for a shift in the way we do business to reflect more difficult times.

Last year the level of savings in our efficiency programme was increased to set some very ambitious targets. This has put us in a strong position, but in response to government announcements, we will need to increase the savings targets again.

Significant challenges face us in relation to the Capital Programme where it is likely that we will see a reduction of up to 50%. This will require a review of existing priorities and brings into focus the need for us to accelerate work on our asset management strategy.

The time has therefore come to put the delivery of the efficiency strategy at the heart of our business, to change the way that we work, gear up to the external challenges and continue to serve the people of Oxfordshire well.

What have we got in train already?

We are in a strong position already. Our existing efficiency programme provides for savings of 27% of our net revenue budget which is high compared to many other councils.

Our focus so far has been to protect frontline services through back office efficiency and service redesign. We are trying to avoid cutting services and focusing on those changes that are more difficult and take longer but can lead to an improvement for service users.

It's not just about the money...

The financial challenges are extremely tough but the organisational ones are almost as significant as we need to move the organisation into a different mind-set and different ways of working.

The focus of the last few years has largely been on taking cash out through a traditional model of 'salami slicing' directorates with relatively little attention being given to how we could increase productivity overall. One big exception to this is the introduction of the Shared Services centre which has been a great success in terms of the financial savings and standardising processes. Much has been achieved but there is further to go.

This is not just about savings but also about how we do things and whether our current structures are fit for the future.

We know that we have highly a motivated people that are very committed to going the extra mile to provide a good service for residents. However, there are aspects of our organisational culture that are unnecessarily bureaucratic - an expectation that matters will be debated for a long time before decisions are made and a reluctance to delegate decision making to the appropriate level. The plethora of Government targets has given us a big burden of data collection and some of our own processes for performance and project management need to be revised to become more light touch. We need:

- to be more joined up across the council and create strong internal partnerships
- to delegate decision making down to the lowest possible level
- to increase the level of ownership and problem solving among staff
- to challenge our meetings culture (length, purpose, number of people attending)
- to reduce the number of emails by speaking to somebody or just taking a decision
- to focus on the end user of our services and instigating a strong 'can do' culture.

These sound like simple things but they can be complex to achieve as they are very much about empowering staff to work differently. Managers will need to work differently too and we will need to make sure that everyone has the skills and confidence to operate effectively in this new environment. We need to be clear which things are "tight" i.e. non negotiable (e.g. managing the budget) and which are "loose" (i.e. do it in the best way you think will deliver the agreed outcome).

Making the best of our people

We have a lot of good people but not everyone is signed up to new ways of working or has the capacity to change and it is important that we are seen to be dealing with them in a dignified and effective way. We need to get better at dealing quickly with poor performance while recognising success.

In some parts of the council we still have extensive hierarchies although many of the existing plans for service redesign will address this. For example transformation programmes in E&E and SCS are flattening structures and adopting new ways of working. We want to be consistent so we will review layers and spans of control throughout the organisation, although we recognise that one size will not fit all.

In some places we have small teams and managers with only a few direct reports. We need to change this and In the medium term we will move towards broader job families, common job descriptions, and flexibility for staff and managers to move to different jobs around the organisation.

Alongside this we recognise that there are some jobs which require specific professional expertise and people may need to be remunerated appropriately without necessarily taking on management responsibilities.

Leading from the top

Over the last five years we have reduced the number of Directors from 5 to 4 and the numbers of Heads of Service by 3. This gives us a Senior Management Group of 30 (including the Director of Public Health). Going further down the organisation we have around 150 Key Service Managers and around 600 staff considered as being managers. Many of these are really supervisors of one or two staff but we often expect them to carry out the same range of activity as those at a much more senior level. The size of

this group will be reduced by the current savings targets. In order to become a fitter and leaner organisation we expect to reduce the overall number of managers.

It is important that the senior team are seen to lead the way. We will start at the top by looking at CCMT and its direct reports. There is scope to reduce the Senior Management team and standardise the responsibility levels of this group. CCMT will reduce in size. In future the Chief Fire Officer to be responsible to the Director of Social and Community Services with a dotted line to the Chief Executive. This will help us to strengthen the links between the fire service prevention work and other community services.

In making changes we need to be clear about who the senior leaders are and to recognise them accordingly. It is important that our senior people operate right across the council, modelling the kind of behaviours we want to see everywhere. Once we have reduced the number of posts we will re-designate the remaining Directorate Heads of Service as Deputy Directors, emphasising that we expect them to take on a broader role. They will be taking on responsibility for lead roles across the council which may involve them having direct reports that work in a matrix way.

Corporate Core

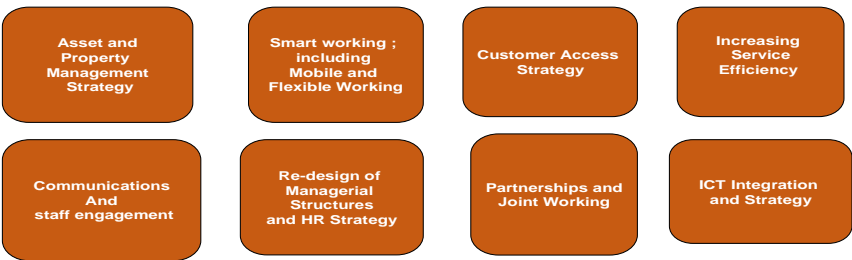
The Corporate Core has served us well over the last few years but we now need to rethink the centre of the organisation. We will downsize the ‘centre’ and move further operational activities into Shared Services which itself needs to move into phase 2 of its development.

There will be a smaller Chief Executive’s Office focused on driving corporate objectives and providing a strategic framework and support to directorates. The intention is for staff to work flexibly together around projects and work programmes

How we work

Our existing efficiency programme includes a number of elements that start to address the way in which we work. These will be joined up into an over arching programme and brought together as a coherent whole.

New Ways of Working - NWOW



There are also some areas where we have yet to fully exploit the potential of different work styles and of making better use of technology (e.g. mobile and flexible working, customer contact and access). We intend to protect the front line and to refocus all other operations in support of this. This means introducing more effective ways of working such as greater use of web based services, more commissioning, increased partnership and joining up with other agencies. The different programmes will deliver the new ways

of working we need is we are to drive down costs and protect front line services.

Member Championing

We know that our elected members are fully behind this radical change programme and they have taken on individual responsibilities as follows:

Budget & Efficiencies Programme	Cllr Jim Couchman
Efficiency Champion	Cllr Charles Shouler
Smart Working (ICT & HR)	Cllr David Robertson
Transforming Adult Social Care	Cllr Arash Fatemian
Creating a Healthy Oxfordshire	Cllr Arash Fatemian
Implementation of new Highways contract	Cllr Rodney Rose
Extended Schools Programme	Cllr Louise Chapman
Children's Trust arrangements	Cllr Michael Waine
Infrastructure Plan	Cllr Ian Hudspeth
Transforming the Library Service	Cllr Judy Heathcoat
Communications & Cultural Change	Cllr Kieron Mallon

Summary and Conclusion

We have achieved a huge amount in the last few years and we are well placed going forward. Over the next few years we will become a more streamlined and more dynamic organisation in which the workforce feels more empowered to develop our services to reflect customer and community aspirations. To achieve this we will integrate a range of the different strands of work including:

1. A highly visible programme is developed to bring in changes to how we work (incorporating strong internal communications and staff engagement)
2. A reduction in our management structure starting with the senior management but more generally including a review of the layers and spans of management across the council
3. A review of the existing job evaluation system with the aim of bringing forward proposals for the introduction of job families and more generic structures.
4. Slimming down the Corporate Core, with further transactional activities transferred to shared services
5. A review of the Shared Services Centre in the context of the new responsibilities and next stages of development.
6. Activity to streamline business processes and free up time for managers and staff to focus on proactive development of services to reflect customer needs and value for money expectations

We want everyone in the organisation to embrace change. We know that we all have to rise to this challenge if we are going to continue to serve people well in Oxfordshire.

Joanna Simons
Chief Executive